

1409

RECEIVED
2007 AUG 15 PM 11:33

CAMERON PARISH GRAVITY
DRAINAGE DISTRICT NO. 4

COMPILED FINANCIAL STATEMENTS

December 31, 2006

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/22/07

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
December 31, 2006

TABLE OF CONTENTS

	<u>EXHIBIT</u>	<u>PAGE</u>
Required Supplemental Information Management's Discussion and Analysis		1 - 5
Accountant's Review Report		6
Basic Financial Statements		
Statement of Net Assets	A	8 - 9
Statement of Revenues, Expenses and Changes in Fund Net Assets	B	10
Statement of Cash Flows	C	11
Notes to Financial Statements		12 -18
Supplementary Information		
Compensation of Board Members		20
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES		21 -24
Attestation Questionnaire		25 -26

REQUIRED SUPPLEMENTAL INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO 4
December 31, 2006

Management's Discussion and Analysis

Our discussion and analysis of the Cameron Parish Gravity No 4 (the District) financial performance provides an overview to the District's financial activities for the year ended December 31, 2006. Please read in conjunction with the District's basic financial statements which begin on page 9.

Financial Highlights

- * The District's total assets increased by \$225,096 during the year ended December 31, 2006. The primary reason for the increase was substantially more oil and gas royalties plus \$97,210 in Fema proceeds.
- * While total net assets increased by about \$225,096 or 157%, there was also a significant increase of 566% in unrestricted net assets. Unrestricted net assets are those assets available to meet the day- to day operating needs of the District.

Using This Annual Report

This annual report consists of Management's Discussion and Analysis, the basic financial statements, and notes to the financial statements. Management's Discussion and Analysis provides a narrative of the District's financial performance and activities for the year ended December 31, 2006. The basic financial statements provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The basic financial statements consist of three statements:

- * The Statement of Net Assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.
- * The Statement of Activities presents information showing how the District's net assets changes during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Certain revenues and expenses are reported in this statement that will result in cash flows in future periods.
- * The Statement of Cash Flows presents information showing how the District's cash changed during the most recent fiscal year. It shows the sources and uses of cash.

See Independent Auditor's Report

Financial Analysis of the District as a Whole

A summary of net assets is presented on the next page.

See Independent Auditor's Report

CAMERON PARISH GRAVITY NO. 4
December 31, 2006
Management's Discussion and Analysis

Table 1
Net Assets

	<u>2006</u>	<u>2005</u>	<u>Increase/ Decrease</u>	<u>Favorable/ Unfavorable % Change</u>
Current Assets	\$ 520,365	\$ 307,473	212,892	69.24%
Capital assets, net of depreciation	<u>141,438</u>	<u>128,859</u>	<u>12,579</u>	<u>9.76%</u>
Total Assets	\$ 661,803	\$ 436,332	225,471	51.68%
Current liabilities	\$ 2,065	\$ 1,690	375	22.19%
Noncurrent liabilities	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total Liabilities	2,065	1,690	375	22.19%
Invested in capital assets	141,438	128,859	12,579	9.19 %
Unrestricted net assets	250,016	37,499	212,517	566.72%
Restricted -protested tax	<u>268,284</u>	<u>268,284</u>	<u>(-----)</u>	<u>-----%</u>
Total Net Assets	<u>\$ 659,738</u>	<u>\$ 434,642</u>	<u>225,126</u>	<u>51.80%</u>

Invested in capital assets represent the District's long-term investment in capital assets, net of accumulated depreciation. and is not available for current operations.

A summary of changes in net assets is presented below. For the year ended December 31, 2006 and 2005, respectively.

Table 2
Changes in Net Assets

	<u>2006</u>	<u>2005</u>	<u>Increase/ Decrease</u>	<u>Favorable/ Unfavorable % Change</u>
Operating revenues	\$ ---	\$ ---	---	---
Non-operating revenues	<u>285,925</u>	<u>150,491</u>	<u>135,434</u>	<u>89.99%</u>
Total Revenues	<u>285,925</u>	<u>150,491</u>	<u>135,434</u>	<u>89.99%</u>
Operating expenses				
Depreciation	9,929	9,929	---	---
Other	<u>50,900</u>	<u>53,229</u>	<u>(2,329)</u>	<u>4.38%</u>
Total Expenses	<u>60,829</u>	<u>63,158</u>	<u>(2,329)</u>	<u>4.38%</u>
Change in net assets	<u>\$ 225,096</u>	<u>87,333</u>	<u>137,763</u>	<u>157.74%</u>

See Independent Auditor's Report

CAMERON PARISH GRAVITY DISTRICT NO 4
December 31, 2006

Management's Discussion and Analysis

Capital Assets

At December 31, 2006 and December 31, 2005, the District had \$141,438 and \$128,859 respectively, invested in capital assets , including drainage improvements at net value after depreciation. Additions to capital assets during the year ended December 31, 2006 consisted of drainage improvements of \$7,178 and fencing for \$15,330.

Non-Current Liabilities

There were no noncurrent liabilities at December 31, 2006.

Other Currently Known Facts, Decision, or Conditions

In management's opinion the cash balance that the District has acquired will be maintained under present operating projections.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Cameron Parish Gravity District No. 4 at. 10080 Gulf Hwy; Lake Charles, LA 70607.

See Independent Auditor's Report

ELLIOTT AND ASSOCIATES

P.O. Box 1287
Leesville, La. 71496

(337) 239-2535
(337) 238-5135
Fax 239-2295

W. Micheal Elliott, CPA

Board of Commissioners
Cameron Parish Gravity District No. 4

I have reviewed the accompanying statement of net assets of Cameron Parish Gravity District No. 4 as of December 31, 2006 and the related statement of revenues, expenses, and changes in net assets and statement of cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Cameron Parish Gravity District No. 4.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

My review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles. The information included in the accompanying schedules is presented only for supplementary analysis purposes. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and I am not aware of any material modifications that should be made thereto.

Elliott & Assoc. "APAC"
Leesville, Louisiana
June 12, 2007

BASIC FINANCIAL STATEMENTS

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4

STATEMENT OF NET ASSETS

December 31, 2006

ASSETS

ASSETS

Current assets

Cash and cash equivalents (Note 2)	\$ 462,758
Receivables (Note 3):	
Ad valorem taxes	55,766
FEMA receivable	-----
State revenue sharing	327
Royalty receivable	<u>1,514</u>
Total current assets	<u>520,365</u>

Noncurrent assets

Capital assets, net of accumulated depreciation (Note 4)	<u>141,438</u>
Total noncurrent assets	<u>141,438</u>

<u>TOTAL ASSETS</u>	<u>\$ 661,803</u>
----------------------------	--------------------------

See accompanying notes and accountant's report.

EXHIBIT A

LIABILITIES

Current liabilities

Accounts payable	630
Ad valorem deduction payable	<u>1,435</u>

Total current liabilities	<u>2,065</u>
----------------------------------	--------------

<u>TOTAL LIABILITIES</u>	<u>2,065</u>
---------------------------------	--------------

NET ASSETS

Invested in capital assets	141,438
Restricted - protested taxes	268,284
Unrestricted	<u>250,016</u>

<u>TOTAL NET ASSETS</u>	<u>\$ 659,738</u>
--------------------------------	-------------------

EXHIBIT B

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
Statement of Revenues, Expenses and
Changes in Assets
For the year ended December 31, 2006

OPERATING REVENUES	<u>-----</u>
Total Operating Revenues	<u>-----</u>
OPERATING EXPENSES	
Current:	
Contract labor	4,200
Professional fees	1,600
Operation and maintenance	26,758
Per diem	3,640
Deductions from ad valorem tax	1,435
Permits	13,125
Bank fees	142
Depreciation (Note 4)	<u>9,929</u>
Total operating expenses	<u>60,829</u>
Operating loss	<u>(60,829)</u>
Non-Operating Revenues (Expenses)	
Ad valorem taxes (Note 3)	50,282
Intergovernmental	135
Royalty income	122,870
Interest Income	15,428
Fema funds	<u>97,210</u>
Total non-operating revenues	<u>285,925</u>
Net Increase in net assets	225,096
NET ASSETS - BEGINNING OF YEAR	<u>434,642</u>
<u>NET ASSETS - END OF YEAR</u>	<u>\$ 659,738</u>

See accompanying notes and accountant's report.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4

Statement of Cash Flows

For the year ended December 31, 2006

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from governments	
Cash payments to suppliers	135
For goods and service	(129,308)
Cash payments to employees for services	(4,200)
Net cash provided by operating activities	<u>(133,373)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Ad valorem taxes revenue	\$ 117,059
Royalty revenue	(1,514)
Miscellaneous income	135
Cash flow from noncapital financing activities	<u>\$ 115,680</u>

CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES

Acquisition of property, plant and equipment	\$ (22,508)
--	-------------

CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	<u>\$ (22,508)</u>
--	--------------------

CASH FLOW FROM INVESTING ACTIVITIES:

Interest Received	<u>15,428</u>
-------------------	---------------

Increase in cash	-----
------------------	-------

CASH, BEGINNING OF YEAR	<u>220,785</u>
-------------------------	----------------

CASH, END OF YEAR	<u>462,758</u>
-------------------	----------------

CLASSIFIED AS Current Assets	\$ 220,785
------------------------------	------------

Restricted Assets	-----
-------------------	-------

Totals	<u>\$ 220,785</u>
--------	-------------------

CASH FLOWS FROM OPERATING ACTIVITIES

Operating income	\$ (60,829)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	9,929
Changes in assets and liabilities:	
Accounts receivable	86,688
Accounts payable	(1,060)
Taxes payable	1,435
Fema Funds	<u>97,210</u>
Net cash (used) by operating activities	<u>\$ 133,373</u>

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
For the year ended December 31, 2006

Notes to the Financial Statements

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The Cameron Drainage District No 4 is a political subdivision of the Cameron Parish Police Jury. The District is governed by a board of commissioners, composed of five members, who serve without compensation and are appointed for terms of four years by the Cameron Parish Police Jury.

The financial statements of the Cameron Parish Drainage District No 4 have been prepared in conformity with accounting principles generally accepted in the United States of American (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing government accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Reporting Entity

GASB Statement No. 14, The Reporting Entity, as amended, established criteria for determining the government reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a component unit, since it is a subdivision of the Cameron Parish Police Jury "Jury" that reports to the Jury. As used in GASB Statement No 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issued bonded debt. The District only does certain of the above functions and its board members are also appointed by the Jury, Thus the District is classified as a component unit.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4

December 31, 2006

Notes to the Financial Statements

Basis of Presentation

Effective January 1, 2002, the District adopted the provisions of Statement No. 34 and Statement No. 37. These statements established standards for external financial reporting for all state and governmental entities, which includes a statement of net assets, a statement of revenues, expenses and changes in net assets, and a statement of cash flows. It requires the classification of net assets into three components - invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

- * Invested in capital assets, net of related debt: This component of net assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction or improvement of those assets.
- * Restricted net assets: This component of net assets consists of constraints imposed by creditors (such as through debt covenants), contributors, laws or regulations of other governments, or through constitutional provisions or enabling legislation.
- * Unrestricted net assets: This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Fund Accounting

The accounts of the Cameron Parish Gravity Drainage District NO. 4 are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4

December 31, 2006

Notes to the Financial Statements

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise funds follow GAAP prescribed by the Government Accounting Standards Board and Financial Accounting Standards Boards's Standards issue prior to November 30, 1989. Enterprise funds are accounted for an a flow of economic measurement focus. With this measurement focus, all assets and liabilities associated with the operating of these funds are included on the balance sheet. The operating statement presents increases (revenues) and decreases(expenses) in total net assets.

The accrual basis of accounting is utilized by enterprise funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

There are no principal operating revenues. Operating expense include costs of providing drainage expenses, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government.

Capital Assets

All purchased capital assets are stated at cost. Donated capital assets are valued at their estimated fair market value on the date received. Depreciation of all exhaustible capital assets is charged against operations. Depreciation is computed over the estimated useful lives of 25 years using the straight-line method.

Compensated Absences

Vested or accumulated vacation and sick leave are recorded on the Cameron Parish Police Jury records as the benefits accrued to employees. No liability is recorded for compensated absences that relate to future service or that are contingent on a specific event that is outside the control of the employer and employees.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4

December 31, 2006

Notes to the Financial Statements

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimated and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

2. CASH AND INVESTMENT COLLATERAL

Under state law, the District may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The District may invest in United States bonds, treasury notes, time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, investments as stipulated in state law, or any other federally insured investment.

At December 31, 2006, the District had cash and investments as follows:

	<u>UNRESTRICTED</u>	<u>RESTRICTED</u>	<u>TOTAL</u>
Cash (demand deposits) and certificate of deposit	<u>\$462,758</u>	<u>\$ ---</u>	<u>\$462,758</u>

At year end, the carrying amount of the District's deposits (demand deposits and certificates of deposit) was \$462,758, and the bank balance were \$462,990. A summary of collateralization of bank balances is presented below.

Insured (Federal deposit insurance)	\$100,000
Uncollateralized (In accordance with GAAP- See below)	<u>362,990</u>
	<u>\$462,990</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting back balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times at least equal the amount on deposit with the fiscal agent. The market value of these pledged securities at December 31, 2006 was \$366,415.

CAMERON PARISH GRAVITY DISTRICT NO. 4
December 31, 2006

Notes to the Financial Statements

3. RECEIVABLES

Receivables at December 31, 2006 consist of the following:

Ad valorem taxes--unrestricted	\$ 55,766
Royalty receivable	1,514
State revenue sharing	<u>327</u>
Net total receivables	\$ <u>57,607</u>

The amount included in the ad valorem receivable on the balance sheet is for ad valorem taxes which attach as an enforceable lien on property as of January 1 of each year. Taxes are levied to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The District utilizes the Cameron Parish Tax Collector/Sheriff to bill and collect its property taxes using the assessed values determined by the tax assessor of Cameron Parish.

For the year ended December 31, 2006, taxes of 3.31 mills were levied on property with assessed valuation totaling \$13,581,598 and is dedicated to the operations of the drainage district.

The total amount levied was \$44,889. Furthermore, collections of delinquent taxes and other adjustments resulted in total collections of \$50,282.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
December 31, 2006

Notes to the Financial Statements (Continued)

4. CHANGES IN CAPITAL ASSETS

	Balance <u>12/31/05</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>12/31/06</u>
Fencing	\$ -----	15,330	-----	15,330
Drainage Improvements	\$248,202	\$ 7,178	---	<u>\$ 255,400</u> 270,730
Accumulated depreciation				(129,292)
Net capital assets				<u>\$ 141,438</u>

Depreciation expense included in the financial statements for the fiscal year is \$9,929.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Fencing	15 years
Drainage improvements	25 years

5. PENSION PLAN

The District participates in a pension plan operated by the Cameron Parish Police Jury and disclosures for that plan are included in the Police Jury's audit report.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4

December 31, 2006

Notes to the Financial Statements (Continued)

6. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft or damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District carries commercial insurance as outlined in the following table. Settled claims did not exceed commercial coverage for any of the past three fiscal years.

LIMITS
OF
COVERAGE

Workmen's compensation	None
Auto liability	None
Commercial general liability	2,000,000

The District covers all other losses, claim settlements, and judgments from operating reserves. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The District was not involved in any litigation nor did it have asserted claims lodged against it.

SUPPLEMENTARY INFORMATION

**CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4
SCHEDULE OF COMPENSATION PAID BOARD MEMBERS
FOR THE YEAR ENDED December 31, 2006**

The following represents per diem paid to Board members for the year ended December 31, 2006:

Walter Rogers	\$715
Leslie Griffith	715
Raven Benoit	780
Kevin Boudreaux	780
Michael Simien	<u>650</u>
Total	<u>\$3,640</u>

ELLIOTT & ASSOCIATES, INC.
Professional Accounting Corporation
P. O. Box 1287
Leesville, Louisiana 71496-1287

(337) 239-2535
(337) 238-5135
Fax 239-2295

W. Michael Elliott, CPA

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED- UPON PROCEDURES**

Board of Commissioners
Cameron Parish Gravity Drainage District No. 4

I have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Cameron Parish Gravity District No. 4 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Cameron Parish Gravity District No. 4's compliance with certain laws and regulations during the year ended December 31, 2006 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

PUBLIC BID LAW

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000 and determine whether such purchases were made in accordance with LSARS 38:211-2251 (the public bid law).

There was one expenditure over \$15,000 for the year ended December 31, 2006. This was the result of bids taken in late 2005 after Hurricane Rita. The lowest bidder was Rivers Fence Company as follows:

<u>Date</u>	<u>Payee</u>	<u>Amount</u>
June 7, 2006	Rivers Fence Company	\$15,330

CODE OF ETHICS FOR PUBLIC OFFICIALS
AND PUBLIC EMPLOYEES

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided me with the required list including the

noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided me with the required list, including the noted information.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management (agreed-upon procedures (3)) appeared on the list provided by management in agreed-upon procedure (2).

BUDGETING

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided me with a copy of the original budget and one amendment to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

I traced the adoption of the original budget to the minutes held on December 10, 2005, which indicated that the budget had been adopted by the Board by a vote of 3 in favor and 0 opposed. There were no amendments to the budget.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more if actual expenditures exceeded amounts by 5% or more.

I compared the revenues and expenditures of the final budget to actual revenues and expenditures and no negative variances of greater than 5% of actual revenue and expenditures were noted.

ACCOUNTING AND REPORTING

8. Randomly select 6 disbursements made during the period under examination and:
 - (a) trace payments to supporting documentation as to

proper amount and payee;

I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

All of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Board. In addition, each of disbursements were traced to the District's minute book where they were approved by the full Board of Commissioners.

MEETINGS

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meeting law).

The Cameron Parish Gravity District No. 4 is only required to post a notice of each meeting and the accompanying agenda on the door of the Board's office building. Although management has asserted that such documents were properly posted, I could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.

DEBT

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

I inspected copies of all bank deposit slips for the period under examination and noted no deposits which appear to be proceeds of loans, bonds, or like indebtedness.

ADVANCES AND BONUSES

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

I inspected payroll records for the year and noted no instances which could indicated payments to employees which would constitute bonuses, advances, or gifts. A review of the minutes also noted no approval for such payments.

My prior year report, dated June 6, 2006, did not indicate any comments or unresolved matters.

I was not engaged to , and did not, perform and examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of Cameron Parish Gravity District No. 4 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Elliott & Assoc. "APAC"
Leesville, Louisiana
June 12 , 2007

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

(Date Transmitted)

Cameron & Gruenke Druggery & HAttorneys Associates

(Auditors)

In connection with your review of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of [date of completion/representations].

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes ☒ No ☐**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1104-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes ☒ No ☐**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:38.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:483, and/or 39:82, as applicable.

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 6 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.85.

Yes ☒ No ☐

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 78-729.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

<u>Michael S. Sasser</u>	Secretary	<u>6/14/07</u>	Date
<u>Thomas W. Connor</u>	Treasurer	<u>6/11/07</u>	Date
<u>Kevin Boudreau</u>	President	<u>6-14-07</u>	Date